December 2, 2003

B.C.'s First Aboriginal Owned and Operated Oil and Gas Rig

Fort Nelson, B.C., (December 2, 2003) - Today, the Fort Nelson First Nation entered into a historic agreement with Ensign Drilling and became the first British Columbia aboriginal community to own and operate an oil and gas drilling rig. The partnership gives the Fort Nelson First Nation a 50 percent interest in an $8 million rig.

The Fort Nelson First Nation and Ensign's joint venture is expected to bring opportunity, jobs, training and expanded business expertise to the Fort Nelson First Nation. Through this agreement, EnCana utilizes the rig through the best efforts clause that stipulates 'first up and last down' priority for the Eht'oni rig, and Ensign will manage the rig on behalf of the Fort Nelson First Nation.

"Fort Nelson First Nation, Ensign Drilling Inc. and EnCana are breaking new ground in British Columbia with this collaborative partnership," said Liz Logan, Chief of the Fort Nelson First Nation. "This rig represents the building of a foundation for us; a foundation for future opportunities and benefits for our community."

The rig was named Eht'oni [Eh-toe nay], which means arrow in Dene, by Chalo school students. Eht'oni will remain in Fort Nelson allowing the community to develop a sense of ownership and pride in their new venture.

"This innovative partnership is a model for the opportunities we want to encourage between First Nations and the private sector across B.C.," said British Columbia Premier Gordon Campbell. "The leadership shown by Fort Nelson First Nation, Ensign and EnCana shows how strong partnerships can create jobs and new economic opportunities for the benefit of all British Columbians."

"This really is a win-win situation for the Fort Nelson First Nation and Ensign," said Bob Geddes, Chief Operating Officer of Ensign Drilling. "As partners we will be able to take advantage of the growing opportunities that exist in Northern B.C. The First Nation will be able to share with us their traditional knowledge of the land and we can reciprocate with our knowledge of oil and gas drilling."

"EnCana is proud to continue to support the Fort Nelson First Nation's ability to participate in an expanding and vibrant oil and gas sector," said Randy Eresman, Executive Vice-President and Chief Operating Officer of EnCana. "This partnership is consistent with EnCana's philosophy of offering a hand-up and not a hand-out."

The partnership will create 20 direct jobs and 50 indirect jobs in the northern community.

Industry has responded to the provincial government's aggressive action aimed at making B.C. the most competitive oil and gas jurisdiction in North America. This rig partnership reflects the industry's positive reaction to B.C.'s successful Oil and Gas Development Strategy. This strategy encourages expansion of oil and gas industry investment, thereby creating more year-round, well-paying, community supporting jobs and benefits.

For more information please contact:

Darci McAulay
EnCana Corporation
(403) 880-4737

Nicola Lambrechts
NATIONAL
(604) 684-6655